

CHAPTER-I : GENERAL

1.1 Trend of revenue receipts

1.1.1 The tax and non-tax revenue raised by the Government of Bihar during the year 2007-08, the State's share of divisible Union taxes and grants-in-aid received from the Government of India during the year and the corresponding figures for the preceding four years are mentioned below:

(Rupees in crore)

Sl. No.	Particulars	2003-04	2004-05	2005-06	2006-07	2007-08
I.	Revenue raised by the State Government					
	• Tax revenue	2,889.69	3,347.39	3,561.10	4,033.08	5,085.53
	• Non-tax revenue	320.38	417.79	522.30	511.28	525.59
	Total	3,210.07	3,765.18	4,083.40	4,544.36	5,611.12
II.	Receipts from the Government of India					
	• States' share of divisible Union taxes	7,627.87	9,117.13	10,420.59	13,291.72	16,766.29
	• Grants-in-aid	1,617.62	2,831.83	3,332.72	5,247.11	5,831.67
	Total	9,245.49	11,948.96	13,753.31	18,538.83	22,597.96
III.	Total receipts of the State Government ¹ (I&II)	12,455.56	15,714.14	17,836.71	23,083.19	28,209.08
IV.	Percentage of I to III	26	24	23	20	20

The above table indicates that during the year 2007-08, the State Government could raise only 20 *per cent* of the total revenue receipts of Rs. 28,209.08 crore as in the preceding year. The balance 80 *per cent* of receipts were from the Government of India. The contribution of revenue raised by the State Government to the total revenue receipts has decreased continuously during the period from 2003-04 to 2006-07.

¹ For details, please see Statement No.11 - Detailed accounts of revenue by minor heads in the Finance Accounts of Government for the year 2007-08. Figures under the major heads 0020 - Corporation tax, 0021 - Taxes on income other than corporation tax, 0028 - Other taxes on income and expenditure, 0032 - Taxes on wealth, 0037 - Customs, 0038 - Union excise duties, 0044 - Service tax and 0045 - Other taxes and duties on commodities and services - Minor Head - 901 - Share of net proceeds assigned to State booked in the Finance Accounts under A - Tax revenue have been excluded from the revenue raised by the State and included in State's share of divisible union taxes in this statement.

1.1.2 The following table presents the details of tax revenue raised during the period 2003-04 to 2007-08:

(Rupees in crore)

Sl. No.	Head of revenue	2003-04	2004-05	2005-06	2006-07	2007-08	Percentage of increase (+) / decrease (-) in 2007-08 over 2006-07
1.	Taxes on sales, trade etc.	1,637.23	1,890.54	1,733.60	2,081.49	2,534.80	(+) 21.78
2.	State excise	240.01	272.47	318.59	381.93	525.42	(+) 37.57
3.	Stamp duty and registration fees	417.56	429.14	505.29	455.02	654.15	(+) 43.76
4.	Taxes and duties on electricity	17.62	9.54	18.06	62.84	64.05	(+) 1.93
5.	Taxes on vehicles	209.50	212.78	302.44	181.38	273.21	(+) 50.63
6.	Taxes on goods and passengers- tax on entry of goods into local areas	305.83	472.88	613.38	783.01	937.87	(+) 19.78
7.	Other taxes and duties on commodities and services	28.14	26.65	14.72	12.76	13.93	(+) 9.17
8.	Land revenue	33.80	33.39	55.02	74.65	82.10	(+) 9.98
Total		2,889.69	3,347.39	3,561.10	4,033.08	5,085.53	(+) 26.10

The reasons for variation in receipts during 2007-08 from those of 2006-07 as reported by the departments are mentioned below:

Taxes on sales, trade etc.: The increase (21.78 per cent) was due to rationalisation of rate of tax under Bihar Value Added Tax Act.

State excise: The increase (37.57 per cent) was due to the implementation of new excise policy 2007 (July 2007) as well as increase in the number of excise shops.

Stamp duty and registration fees: The increase (43.76 per cent) was due to better monitoring and registration of flats.

Taxes on goods and passengers- tax on entry of goods into local areas: The increase (19.78 per cent) was due to hike in price of crude oil in the international market.

Other taxes and duties on commodities and services: The increase (9.17 per cent) was due to change in the rate of tax.

The other departments did not inform (October 2008) the reasons for variation, despite being requested (May and August 2008).

1.1.3 The following table presents the details of non-tax revenue raised during the period 2003-04 to 2007-08:

(Rupees in crore)

Sl. No.	Head of Revenue	2003-04	2004-05	2005-06	2006-07	2007-08	Percentage of increase (+) / decrease (-) in 2007-08 over 2006-07
1.	Interest receipts	23.08	75.06	216.07	175.99	170.71	(-) 3.00
2.	Forestry and wild life	6.29	7.16	8.89	6.35	6.64	(+) 4.57
3.	Non-ferrous mining and metallurgical industries	73.34	80.09	100.90	127.65	178.66	(+) 39.96
4.	Miscellaneous general services	0.15	9.07	11.77	20.88	3.02	(-) 85.54
5.	Medium irrigation	26.22	20.82	10.82	10.95	9.67	(-) 11.69
6.	Medical and public health	11.97	12.66	15.10	17.52	21.07	(+) 20.26
7.	Fisheries	5.07	5.15	5.69	6.09	6.57	(+) 7.88
8.	Roads and bridges	10.63	8.43	12.05	16.75	17.95	(+) 7.16
9.	Police	16.86	13.72	6.00	10.53	23.47	(+) 122.89
10.	Other administrative services	80.72	107.99	34.21	20.28	12.00	(-) 40.83
11.	Other non-tax receipts	66.05	77.64	100.80	98.29	75.83	(-) 22.85
Total		320.38	417.79	522.30	511.28	525.59	(+) 2.80

The reasons for variations in receipts during the year 2007-08 from these of 2006-07 as intimated by the concerned departments are mentioned below:

Non-ferrous mining and metallurgical industries: The increase (39.96 per cent) was due to increase in sand *ghats* as well as increase in settlement amount of stone leases.

Medium irrigation: The decrease (11.69 per cent) was due to less collection of revenue which was attributable to shortage of staff.

The other departments did not inform (October 2008) the reasons for variation, despite being requested (May and August 2008).

1.2 Variation between budget estimates and actuals

The variation between budget estimates (BE) of revenue receipts for the year 2007-08 and the actual receipts under the principal heads of tax and non-tax revenue are mentioned below:

(Rupees in crore)

Sl. No.	Revenue head	BE	Actual receipts	Variations increase (+) shortfall (-)	Percentage
• Tax revenue					
1.	Taxes on sales, trade etc.	2,879.93	2,534.80	(-) 345.13	(-) 11.98
2.	State excise	500.00	525.42	(+) 25.42	(+) 5.08
3.	Stamp duty and registration fees	720.00	654.15	(-) 65.85	(-) 9.15
4.	Taxes on vehicles	375.00	273.21	(-) 101.79	(-) 27.14
5.	Taxes and duties on electricity	19.69	64.05	(+) 44.36	(+) 225.29
6.	Land revenue	74.67	82.10	(+) 7.43	(+) 9.95
7.	Other taxes and duties on commodities and services	18.39	13.93	(-) 4.46	(-) 24.25
8.	Taxes on goods and passengers -Tax on entry of goods into local areas	381.33	937.87	(+) 556.54	(+) 145.95
• Non-tax revenue					
1.	Non-ferrous mining and metallurgical industries	102.93	178.66	(+) 75.73	(+) 73.57
2.	Forestry and wild life	4.65	6.64	(+) 1.99	(+) 42.80
3.	Interest receipts	58.89	170.71	(+) 111.82	(+) 189.88
4.	Water rates (medium irrigation)	1.50	9.67	(+) 8.17	(+) 544.67

The reasons for variations between BE and actual receipts as reported by the concerned departments are as mentioned below:

Taxes on goods and passengers-taxes on entry of goods into local areas:

The increase (145.95 per cent) was due to hike in price of crude oil in the international market.

Non-ferrous mining and metallurgical industries: The increase (73.57 per cent) was due to increase in sand ghats and as well as increase in the settlement amount of stone leases.

The other departments did not inform (October 2008) the reasons for variation, despite being requested (May and August 2008).

1.3 Cost of collection

The gross collection of major revenue receipts, expenditure incurred on collection and the percentage of such expenditure to gross collection during the years 2005-06 to 2007-08 along with the relevant all India average percentage of expenditure on collection to gross collections for 2006-07 are mentioned below:

(Rupees in crore)

Sl. No.	Head of revenue	Year	Gross collection	Expenditure on collection	Percentage of expenditure to gross collection	All India average percentage for the year 2006-07
1.	Taxes on sales, trade <i>etc.</i>	2005-06	1,733.60	25.47	1.47	0.82
		2006-07	2,081.49	27.30	1.31	
		2007-08	3,550.65	42.73	1.20 ²	
2.	State excise	2005-06	318.59	14.78	4.64	3.30
		2006-07	381.93	18.31	4.79	
		2007-08	525.42	22.14	4.21	
3.	Stamp duty and registration fees	2005-06	505.29	22.48	4.45	2.33
		2006-07	455.02	36.86	8.10	
		2007-08	654.15	34.03	5.20	
4.	Taxes on vehicles	2005-06	302.44	5.09	1.68	2.47
		2006-07	181.38	6.03	3.32	
		2007-08	273.21	5.96	2.18	

The above table indicates that the percentage of expenditure on collection of taxes on sales, trade *etc.*, state excise and stamp duty and registration fees was more than all India average percentage, which the Government needs to look into.

1.4 Analysis of collection

The break-up of the total collection at the pre-assessment stage and after regular assessment of taxes on sales, trade *etc.* during the year 2007-08 and corresponding figures for the preceding four years, as furnished by the Finance (Commercial Taxes) Department is mentioned below:

(Rupees in crore)

Head of revenue	Year	Amount collected at pre-assessment stage	Amount collected after regular assessment	Penalty for delay in payment of taxes and duties	Amount refunded	Net collection as per department	Net collection as per Finance Account	Percentage of column 3 to 8
1	2	3	4	5	6	7	8	9
Taxes on sales, trade <i>etc.</i>	2003-04	1,542.98	91.72	1.01	4.17	1,630.53	1,637.23	94.24
	2004-05	1,809.59	78.79	1.37	9.18	1,879.20	1,890.54	95.72
	2005-06	1,664.13	69.92	0.89	17.36	1,716.70	1,733.60	95.99
	2006-07	2,002.62	81.25	2.81	11.96	2,071.92	2,081.49	96.21
	2007-08	2,537.11	39.86	2.24	38.00	2,538.97	2,534.80	100.09

² Percentage of expenditure to gross collection for the year 2007-08 includes taxes on goods and passengers- tax on entry of goods into local areas, taxes and duties on electricity and other taxes and duties on commodities and services in addition to sales tax.

Thus, the percentage of tax collected before regular assessment increase to 100.09 per cent from 96.21 per cent reflecting improvement in voluntary compliance with the provisions of the Acts and Rules.

1.5 Analysis of arrears of revenue

The arrears of revenue as on 31 March 2008 in respect of the principal heads of revenue as reported by the departments was Rs. 1,596.08 crore of which Rs. 673.85 crore were outstanding for more than five years as mentioned below:

(Rupees in crore)

Sl. No.	Heads of revenue	Amount outstanding as on 31 March 2008	Amount outstanding for more than five years as on 31 March 2008	Remarks
1.	Taxes on sales, trades etc.	916.08	552.09	Out of Rs. 916.08 crore, demands for Rs. 300.58 crore were certified for recovery as arrears of land revenue. Recovery of Rs. 427.58 crore and Rs. 11.50 crore were stayed by the courts and the Government respectively. Recovery of Rs. 5.08 crore was held up due to rectification/review of applications. An amount of Rs. 1.72 crore was likely to be written off and Rs. 169.62 crore were pending at other stages.
2.	Taxes on vehicles	112.56	112.56	Out of Rs. 112.56 crore, demand for Rs. 106.79 crore was certified for recovery as arrears of land revenue. Specific action taken for the remaining arrears of Rs. 5.77 crore, has not been intimated (October 2008), despite being requested (May and August 2008).
3.	Land revenue	133.94	NA	Stages at which the arrears were pending for collection has not been intimated (October 2008), despite being requested (May and August 2008).
4.	State excise	14.34 ³	1.62	Out of Rs. 14.34 crore, demands for Rs. 8.88 crore were certified for recovery as arrears of land revenue. Recovery of Rs. 1.44 crore and Rs. 14.04 lakh were stayed by the courts and the Government respectively. Recovery of Rs. 72.14 lakh was

³ The amount of arrears does not include figures in respect of Kaimur, Saran, Sheohar, Supaul, Sheikhpura, Jamui and Banka district excise offices and Mirganj, Narkatiaganj and SCI distilleries due to non-availability of their report.

Sl. No.	Heads of revenue	Amount outstanding as on 31 March 2008	Amount outstanding for more than five years as on 31 March 2008	Remarks
				held up due to rectification/ review of applications. An amount of Rs. 37.97 lakh was likely to be written off and Rs. 2.78 crore were pending at other stages.
5.	Taxes and duties on electricity	3.69	3.69	Stages at which the arrears were pending for collection has not been intimated (October 2008), despite being requested (May and August 2008).
6.	Entry tax	40.75	2.22	Out of Rs. 40.75 crore, recovery of Rs. 7.07 crore was stayed by the courts and Rs. 33.68 crore were pending at other stages.
7.	Entertainment tax	3.31	1.01	Out of Rs. 3.31 crore, demands for Rs. 1.46 crore were certified for recovery as arrears of land revenue and Rs. 1.85 crore were pending at other stages.
8.	Taxes on sugarcane	15.34	0.66	Out of Rs. 15.34 crore, demands for Rs. 3.50 crore were certified for recovery as arrears of land revenue. Recovery of Rs. 13 lakh and Rs. 10.89 crore were stayed by the courts and the Government respectively. Specific action taken for remaining arrears of Rs. 82 lakh has not been intimated (October 2008), despite being requested (May and August 2008).
9.	Water rates	190.68	NA	Out of Rs. 190.68 crore, demands for Rs. 1.04 crore were certified for recovery as arrears of land revenue. Specific action taken for remaining arrears of Rs. 189.64 crore has not been intimated (October 2008) despite being requested (May and August 2008).
10.	Mines and Minerals	165.39	NA	Out of Rs. 165.39 crore, demands for Rs. 142.44 crore were certified for recovery as arrears of land revenue and Rs. 22.95 crore were pending at other stages.
Total		1,596.08	673.85	

The position of arrears of revenue at the end of 2007-08 in respect of other departments was not furnished (October 2008), despite being requested (May and August 2008).

1.6 Arrears in assessment of sales tax

The details of sales tax assessment cases pending at the beginning of the year, cases becoming due for assessment during the year, cases assessed during the year and number of cases pending at the end of each year during 2003-04 to 2007-08 as furnished by the department are mentioned below:

Year	Opening balance	New cases due for assessment during the year	Total	Cases finalised during the year	Balance at the end of the year	Percentage of column 6 to 4
1	2	3	4	5	6	7
2003-04	2,08,212	66,398	2,74,610	49,202	2,25,408	82
2004-05	2,25,408	69,914	2,95,332	75,582	2,19,750	74
2005-06	2,19,750	65,917	2,85,667	64,944	2,20,723	77
2006-07	2,20,723	20,193	2,40,916	33,280	2,07,636	86
2007-08	2,07,636	2,882	2,10,518	1,43,417 ⁴	67,101	32

The reason for decrease in the number of new cases for assessment during the year 2007-08 in comparison to 2006-07 was due to the fact that dealers having tax liability upto Rs. 2.50 lakh annually were treated as self assessed.

1.7 Evasion of tax

The details of cases of evasion of tax detected by the departments, cases finalised and demands raised as reported by the department concerned are mentioned below:

Sl. No.	Head of revenue	Cases pending as on 31 March 2007	Cases detected during 2007-08	Total	Number of cases in which assessments /investigation completed and additional demand including penalty etc. raised during 2007-08		Number of pending cases as on 31 March 2008
					No. of cases	Amount of demand (Rupees in lakh)	
1.	Taxes on sales, trade etc., taxes on entry of goods and passengers, Taxes and duties on electricity and other taxes and duties on commodities and services	87	92	179	116	526.39	63
2.	State excise	1 ⁵	-	1	-	-	1
3.	Stamp and Registration	10,039	2,441	12,480	2,411	2.12	10,069

⁴ The figure includes 98,315 cases which were deemed to be assessed during the period 2005- 06 to 2007-08.

⁵ The data does not include the figures in respect of Kaimur, Saran, Sheohar, Supaul, Sheikhpura, Jamui and Banka district excise offices and Mirganj, Narkatiaganj and SCI distilleries due to non-availability of their report.

Thus, the Commercial Taxes Department could finalise 116 cases only which is 65 *per cent* while the Registration, Excise and Prohibition (Registration) department could finalise 2,411 cases only which is 19.32 *per cent* of the total number of cases pending during 2007-08. The Registration, Excise and Prohibition (Excise and Prohibition) Department could not finalise any case during 2007-08. However, the opening balance of 87 as reported by the Commercial Taxes Department differs from the closing balance mentioned in the last year's Audit Report.

1.8 Refunds

The number of refund cases pending at the beginning of the year 2007-08, claims received during the year, refunds allowed during the year and cases pending at the close of the year (March 2008), as reported by the departments are mentioned below:

(Rupees in crore)

Sl. No.	Particulars	Sales tax		Taxes on entry of goods into local areas		State excise ⁶	
		No. of cases	Amount	No. of cases	Amount	No. of cases	Amount
1.	Claims outstanding at the beginning of the year	2,332	23.93	9	0.39	268	2.65
2.	Claims received during the year	231	61.70	-	-	214	5.86
3.	Refunds made during the year	315	38.00	1	0.02	223	7.16
4.	Balance outstanding at the end of the year	2,248	47.63	8	0.37	259	1.35

The opening balance in respect of sales tax and taxes on entry of goods into local areas as reported by the concerned departments differs from the closing balance included in the last year's Audit Report.

1.9 Internal audit

Internal audit, a vital component of internal control is to enable an organisation to assure itself that the prescribed systems are functioning reasonably well.

As per the compiled manual⁷ and circular (1953) of the Finance Audit Department, the internal audit organisation of the departments of the Government were centralised under the Finance Department. As informed by the Finance Department (November 2008), internal audit of different offices of the Government of Bihar is conducted on requisition received by the administrative department. The department added that there was shortfall in internal audit due to shortage of staff. However, the department did not furnish

⁶ The data does not include the figures in respect of Kaimur, Saran, Sheohar, Supaul, Sheikhpura, Jamui and Banka district excise offices and Mirganj, Narkatiaganj and SCI distilleries due to non-availability of their report.

⁷ Compendium of important Government instruction issued from time to time.

further information regarding the number of offices due for audit, audit conducted, number of observations issued and amount involved, despite request. This indicates that internal audit is not accorded the importance it deserves and is ineffective.

1.10 Results of audit

Test check of the records of sales tax, state excise, motor vehicles tax, stamps and registration fees, electricity duty, other tax receipts, forest receipts, interest receipts and other non-tax receipts during the year 2007-08 revealed underassessment/short levy/loss of revenue of Rs. 1,028.80 crore in 1,290 cases, of which, the concerned departments accepted underassessments and other deficiencies of Rs. 211.78 crore involved in 479 cases. The concerned departments also reported recovery of Rs. 1.05 crore.

This report contains 31 paragraphs including two reviews relating to non/short levy of taxes, duties, interest and penalties *etc.* involving Rs. 523.80 crore. The departments/Government accepted audit observations involving Rs. 417.49 crore in 28 cases involved in 17 paragraphs and recovered Rs. 1.48 lakh. No replies have been received in the remaining cases (October 2008).

1.11 Outstanding inspection reports and audit observations

Principal Accountant General (Audit), Bihar (PAG) conducts periodical inspection of the Government departments to test check the transactions and verify the maintenance of the important accounts and other records as prescribed in the rules and procedures. These inspections are followed up with inspection reports (IRs) incorporating irregularities detected during inspection and not settled on the spot, which are issued to the heads of offices inspected with copies to the next higher authorities for taking prompt corrective action. The heads of the offices/Government are required to promptly comply with the observations contained in the IRs, rectify the defects and omissions and report of compliance through initial reply to the PAG within one month from the date of issue of IRs. Serious financial irregularities are reported to the heads of the departments and Government.

Inspection reports issued upto December 2007 disclosed that 18,997 paragraphs involving Rs. 4,358.62 crore relating to 3,564 IRs remained outstanding at the end of June 2008, as mentioned below, along with the corresponding figures for preceding two years.

	June 2006	June 2007	June 2008
Number of outstanding IRs	2,823	3,126	3,564
Number of outstanding audit observations	15,324	16,835	18,997
Amount involved (Rupees in crore)	2,628.21	3,273.56	4,358.62

The department wise details of IRs and audit observations outstanding as on 30 June 2008 and the amounts involved are mentioned below:

Sl. No.	Department	Nature of receipts	Number of outstanding IRs	Number of outstanding audit observations	Money value involved (Rupees in crore)
1.	Finance	Taxes on sales, trade, etc.	470	4,777	869.30
		Entry tax	113	229	51.08
		Electricity duty	21	25	16.74
		Entertainments tax, luxury tax, etc.	13	19	0.57
2.	Excise	State excise	311	1,711	466.26
3.	Revenue	Land revenue	1,387	5,974	582.28
4.	Transport	Taxes on motor vehicles	341	2,519	909.99
5.	Stamps and registration	Stamps and registration fees	343	945	111.37
6.	Mines and geology	Non – ferrous mining and metallurgical industries	217	1,526	524.00
7.	Forest and environment	Forestry and wild life	109	459	189.55
8.	Water resources	Water rates	183	679	594.12
9.	Cane	Sugar cane	56	134	43.36
Total			3,564	18,997	4,358.62

Even the first replies required to be received from the heads of offices within one month from the date of issue of IRs, were not received for 2,721 IRs issued upto December 2007. This large pendency of IRs due to non-receipt of replies is indicative of the fact that the heads of offices and heads of the departments failed to initiate action to rectify the defects, omissions and irregularities pointed out by the PAG in the IRs.

It is recommended that the Government takes suitable steps to install an effective procedure for prompt and appropriate response to audit observations as well as taking action against officials/officers who fail to send replies to the IRs/paragraphs as per the prescribed time schedules and also fail to take action to recover loss/outstanding demand in a time bound manner.

1.12 Departmental audit committee meetings

In order to expedite settlement of the outstanding audit observations contained in the IRs, the Government constituted departmental audit committees. These committees are chaired by the Administrative Secretary of the department

concerned and attended among others by the officers concerned of the State Government and of the office of the PAG.

The meetings for reviewing and monitoring the progress of settlement of the audit observations/paragraphs are required to be held quarterly. During the year 2007-08, only one audit committee meeting was held in respect of Transport Department in which 19 paragraphs were settled. The other departments did not take any initiative for settling the outstanding audit observations through these meetings. The Government should ensure holding of periodical meetings of these committees for effective progress.

1.13 Response of the departments to draft audit paragraphs

The Department of Finance issued directions to all the departments to send their response to the draft audit paragraphs proposed for inclusion in the Report of the Comptroller and Auditor General of India within six weeks. The PAG forwards the draft paragraphs to the Secretaries of the departments concerned through demi official letters drawing their attention to the audit findings and requesting them to send their response within six weeks. The fact of non-receipt of replies from the department is invariably indicated at the end of each paragraph included in the audit report.

Thirty one draft paragraphs including two reviews included in this Report for the year ended 31 March 2008 were forwarded to the Secretaries of the departments concerned between May and August 2008 through demi official letters. The Secretaries of the various departments sent replies to two reviews, four draft paragraphs and partial replies to two draft paragraphs while replies to 23 draft paragraphs have not been received. Therefore, 23 draft paragraphs have been included in this report without the response of the Government.

1.14 Follow-up on Audit Reports

The departments of the Government are required to prepare the detailed explanations (departmental notes) on the audit paragraphs and send it to the Public Accounts Committee within three months of an Audit Report being laid down on the table of the State Legislature.

A review revealed that as of September 2008, 13 departments had not furnished the departmental notes in respect of 208 paragraphs included in the Audit Reports for the years between 1990-91 and 2006-07 for vetting. The delay ranged from 3 months to over 14 years, as mentioned below:

Sl. No.	Department	Year of Audit Report	Dates of presentation to the Legislature	Last date by which departmental notes were due	Number of paragraphs for which departmental notes were due	Delay in months
1.	Finance	2003-04 to 2004-05	December 2005 to March 2006	March 2006 to June 2006	1	27 to 30
2.	Finance (Commercial taxes)	1993-94, 2000-01 to 2006-07	December 1995, December 2003 to March 2008	March 1996, March 2004 to June 2008	46	3 to 150

Sl. No.	Department	Year of Audit Report	Dates of presentation to the Legislature	Last date by which departmental notes were due	Number of paragraphs for which departmental notes were due	Delay in months
3.	State Excise	1990-91 to 2006-07	March 1994 to March 2008	June 1994 to June 2008	41	3 to 171
4.	Revenue and Land Reforms	2005-06 and 2006-07	July 2007 and March 2008	October 2007 and June 2008	19	3 to 11
5.	Registration	1996-97, 2000-01, 2002-03 to 2006-07	July 1998, December 2003, December 2004 to March 2008	October 1998, March 2004, March 2005 to June 2008	5	3 to 119
6.	Transport	1996-97, 1998-99, 2000-01 to 2006-07	July 1998, July 2000, December 2003 to March 2008	October 1998, October 2000, March 2004 to June 2008	28	3 to 119
7.	Sugarcane	1990-91 to 2000-01	March 1994 to December 2003	June 1994 to March 2004	14	54 to 171
8.	Mines and Geology	2000-01 to 2006-07	December 2003 to March 2008	March 2004 to June 2008	18	3 to 54
9.	Forest and Environment	2000-01 to 2006-07	December 2003 to March 2008	March 2004 to June 2008	16	3 to 54
10.	Water Resources	1994-95 to 1998-99, 2000-01, 2002-03 to 2006-07	July 1996 to July 2000, December 2003, December 2004 to March 2008	October 1996 to October 2000, March 2004, March 2005 to June 2008	15	3 to 143
11.	Home (Police)	1998-99 and 2005-06	July 2000 and July 2007	October 2001 and October 2007	2	11 to 95
12.	Urban Development	1997-98	August 1999	November 1999	1	106
13.	Agriculture	2005-06	July 2007	October 2007	2	11
Total					208	

Thus, the executive failed to take prompt action on the important issues highlighted in the Audit Reports that involved large sums of unrealised revenue.

1.15 Recovery of revenue of accepted cases

During the years between 2002-03 and 2006-07, the departments/Government accepted audit observations involving Rs. 146.11 crore of which only an amount of Rs. 2.75 crore was recovered as on 31 March 2008 as mentioned below:

(Rupees in crore)

Year of Audit Report	Total money value of Audit Report	Accepted money value	Recovery made
2002-03	175.15	0.48	NF ⁸
2003-04	1,117.71	19.53	NF
2004-05	176.92	56.63	0.67
2005-06	304.68	8.07	1.26
2006-07	206.42	61.40	0.82
Total	1,980.88	146.11	2.75

The concerned departments did not inform (October 2008) the upto date recovery, despite requested (May and August 2008).

⁸ Not furnished